

Issue 5: INSIDER'S EDGE: 3 Things Budget-Savvy Shoppers Need to Know in 2014

So last time, I brought you the inside scoop on what's ahead for Medicaid. While my name might be Medicaid Marge, that doesn't mean I don't have the INSIDER'S EDGE on changes headed to the private health insurance market, too. A girl's gotta stay in the know, right?



This week, we're talking about coverage for people with income from 138%-400% of the federal poverty level (FPL) who are uninsured or their employer does not offer health coverage that qualifies as "*minimum essential coverage*". I know you're thinking, "Marge, that's not a lot of dough, can someone afford 2014's hot trend, health coverage, on a budget???" You don't have to have cash to burn like Lindsay Lohan and Charlie Sheen to rock health coverage in 2014.

Here's how this group will look sharp under the *individual mandate* without breaking the bank in the process:

1. While these folks *won't* be eligible for Medicaid, people with income from 138% to 400% of the federal poverty level (FPL) *can* buy private plans offered through [Maryland Health Connection](#) called **Qualified Health Plans (QHPs)**. The [Maryland Health Benefit Exchange](#), which oversees Maryland Health Connection, must approve all of the plans that are offered in the marketplace. (Hey, they won't sell just any old health plan!)

2. **Advanced Premium Tax Credits!** People with income from 138% to 400% FPL won't have to spend more than 9.5% of their income on health insurance premiums. They will be eligible for advanced premium tax credits (APTCs) to cover the difference. Fortunately, you won't need to do any complicated calculations when it comes to APTCs. I've included a short explanation of how it will work below.

Once a consumer enters their information in Maryland Health Connection, the Federal Hub Service (*not you, hurray!*) will calculate the exact APTC amounts the consumer is eligible to receive. How much a consumer is expected to spend on their premium is a specified percentage of the consumer's household income. APTCs will reduce costs of premiums to between 2% to 9.5% of the consumer's *modified adjusted gross income (MAGI)*. Premium tax credits are refundable so taxpayers who have little or no income tax liability can still benefit. APTCs can be paid directly to the QHP to help cover the cost of premiums, that's why they are called "advanced" premium tax credits.

3. **People with income from 138-250% FPL** will also be eligible for **cost-sharing reductions (CSRs)** on a sliding scale to help them with their out-of-pocket costs, like co-pays.

Feeling left out? People with income above 400% FPL can also get health insurance coverage through Maryland Health Connection; they just won't receive assistance paying for their plans. One ticket to Trendville, please!



So what will this look like?

If your household size is this:	You may be eligible for Medicaid if your income* is this:	You may be eligible for reduced premiums and/or lower insurance costs if your income is this:
1	Less than \$15,856	\$15,857 - \$45,960
2	Less than \$21,404	\$21,405 - \$62,040
3	Less than \$26,951	\$26,952 - \$78,120
4	Less than \$32,499	\$32,500 - \$94,200
5	Less than \$38,047	\$38,048 - \$110,280
6	Less than \$43,595	\$43,596 - \$126,360
7	Less than \$49,143	\$49,144 - \$142,440
8	Less than \$54,691	\$54,692 - \$158,520

That's all for this time. Great work! Questions? E-mail me at dhmh.medicaidmarge@maryland.gov.